

ADDITIONAL DISCLOSURE – SCHEMES OF ARRANGEMENT

Poseidon Nickel Limited (ASX:POS) (**POS**) and Horizon Minerals Limited (ASX: HRZ) (**HRZ**) refer to the following announcements made:

- on 25 October 2024 by POS and HRZ regarding the entry of POS and HRZ into a scheme implementation deed (**SID**) in relation to a proposed merger between POS and HRZ to be conducted by way of schemes of arrangement under the *Corporations Act 2001* (Cth), whereby HRZ will acquire 100% of the fully paid ordinary shares in POS (**Share Scheme**) and 100% of the options in POS under the code “POSAAB” (**Option Scheme**, and together with the Share Scheme, the **Schemes**), subject to the satisfaction of various conditions;
- on 2 January 2025 by POS confirming dispatch of the Scheme Booklet and personalised proxy form to eligible POS Securityholders;
- on 10 January 2025 by HRZ in relation to the two-tranche private placement to Golden Crane Holdings Limited (**Golden Crane**) pursuant to which HRZ proposes to issue a total of 213,888,888 ordinary shares to Golden Crane at \$A0.045 to raise A\$9,625,000 (**HRZ Placement**) to be issued in a first tranche of 141,000,000 ordinary shares for A\$6,345,000 (**Tranche 1**) and second tranche of 72,888,888 for A\$3,280,000 (**Tranche 2**). As disclosed, the HRZ Placement funds raised will be used for existing and further project development and potentially for the retiring or refinancing of debt;
- on 10 January 2025 by POS and HRZ confirming POS notified BDO Corporate Finance Australia Pty Ltd (**BDO**) as the Independent Expert in respect of the HRZ Placement and BDO has confirmed that the HRZ Placement does not change the Independent Expert’s conclusion that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders; and
- on 13 January 2025 by HRZ confirming completion of Tranche 1 of the HRZ Placement.

Capitalised terms used in this announcement have the same meaning as those used in the Scheme Booklet unless otherwise defined.

In the interests of ensuring that the Schemes take place in an informed market, the following additional information is provided to clarify the effects of the HRZ Placement on the capital structure and pro forma financial position of the Combined Group, post implementation of the Schemes and on completion of the HRZ Placement.

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Upon implementation of the Schemes, Golden Crane will hold a pro forma shareholding of 6.82% (on an undiluted basis) in the Combined Group.

Assuming completion of Tranche 2 of the HRZ Placement (which may only occur post-implementation of the Schemes), Golden Crane will hold a pro forma shareholding of 9.99% (on an undiluted basis) in the Combined Group.

POS Shareholders' expected shareholding in the Combined Group post implementation of the Schemes and on completion of the HRZ Placement¹

Upon implementation of the Schemes, POS Shareholders will hold a pro forma shareholding of 23.78% (on an undiluted basis) in the Combined Group. POS Securityholders will hold approximately 22.65% of the Combined Group (on a fully diluted basis).

Assuming completion of Tranche 2 of the HRZ Placement (which may only occur post-implementation of the Schemes), POS Shareholders will hold a pro forma shareholding of 22.97% (on an undiluted basis) in the Combined Group. POS Securityholders will hold approximately 21.92% of the Combined Group (on a fully diluted basis).

The Combined Group's pro forma financial position post implementation of the Schemes and on completion of the HRZ Placement

On implementation of the Schemes, the pro forma cash position and contributed equity figure of the Combined Group will respectively increase by \$6,345,000, compared to the cash position and contributed equity figure included in the pro forma historical statement of financial position as presented at section 8.9 of the Scheme Booklet.

Assuming completion of Tranche 2 of the HRZ Placement (which may only occur post-implementation of the Schemes), the pro forma cash position and contributed equity figure of the Combined Group will respectively increase by \$3,280,000 compared to the cash position and contributed equity figure included in the pro forma historical statement of financial position as presented at section 8.9 of the Scheme Booklet.

HRZ Placement and effect on Schemes

The HRZ Placement has no effect on the Schemes or the indicative timetable for the Schemes which is included on page 5 of the Scheme Booklet. In addition, as previously disclosed in the joint announcement of HRZ and POS on 10 January 2025, BDO as the Independent Expert for the Schemes has confirmed that the HRZ Placement does not change the Independent Expert's conclusion that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders.

Given the above and taking into account the size of the HRZ Placement relative to HRZ's financial position and capital structure, POS does not propose to issue a supplementary scheme booklet to reflect the changes to POS holders' expected shareholding in the Combined Group

¹ These calculations assume that both tranches of the HRZ Placement complete, on the basis that FIRB approval for the second tranche of the Placement is either not required or will be obtained as a matter of course.

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and the pro forma financial position of the Combined Group post implementation of the Schemes and the HRZ Placement.

Further information

POS will be raising the matters referred to in this announcement with the Supreme Court of Western Australia, which has authorised the holding of the Scheme Meetings, and will provide a further update if required by the Court to do so.

The Scheme Booklet, Notices of Scheme Meetings, and the relevant Proxy forms can be accessed online on POS' Scheme landing page on their website <https://poseidon-nickel.com.au/scheme/>. POS Securityholders may also request a free paper copy of the Scheme Booklet by calling 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday or via email at meetings@automicgroup.com.au.

POS recommends that POS Securityholders read the Scheme Booklet in its entirety before deciding on how to vote at the Scheme Meetings or via Proxy. If you are in any doubt as to how to deal with the Scheme Booklet, or how to cast your vote, please consult your independent financial, legal, taxation or other professional advisory immediately.

If you require further information or have questions in relation to the Schemes, please contact the POS Scheme Information Line on 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday or via email at meetings@automicgroup.com.au.

This announcement has been approved for release by the Board of Directors of Poseidon Nickel Limited and the Board of Directors of Horizon Minerals Limited.

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